

11 July 1961

Honorable Clarence Cannon  
Chairman, Committee on Appropriations  
House of Representatives  
Washington 25, D. C.

Dear Mr. Chairman:

As requested in your letter of 12 January 1961, this letter reports our progress in implementing the payment of separation compensation to selected individuals who are released from Agency employment as surplus personnel.

Central Intelligence Agency regulations governing the identification of surplus personnel and the determination of those eligible for separation compensation were issued 10 February 1961. Concurrently, special briefing conferences were held with supervisory officials to acquaint them with the purposes, standards, and procedures involved.

Since that time, senior Agency officials have analyzed the staffing of elements under their respective jurisdictions and, as a result of their recommendations, I have approved sixteen surplus categories, including GS grades nine through fifteen and involving approximately 225 employees. The approval of a surplus category sets in motion the ranking processes which identify the particular individuals to be separated. Such rankings for the categories approved thus far are at various stages of completion, but specific individuals to be separated have not yet been identified.

Eligibility for separation compensation is determined by factors in each individual's employment history. Therefore, until the particular individuals to be separated have been identified through the current rankings, we will not know how many of these will actually meet the criteria for separation compensation. We estimate that the number will approximate the Committee's authorization of 150 for the first year. We shall, of course, have more positive information on this point in our next report.

Sincerely,  
/s/  
Allen W. Dulles

Concur: L. K. White 7 July 61  
Originator HWLJr. A/D/Pers 6 July 61  
copy filed in OGC

CONFIDENTIAL